

Senate Bill 599 is one of four bills that were introduced and enacted concerning the rate of interest to be charged upon the redemption of property sold at a tax sale in Baltimore County.

There are two sections of Article 81 of the Code that relate to the amount of interest to be charged in that circumstance. Section 93 provides (except in Baltimore City) that the rate is 6% per annum accruing from the date of sale to the date the redemption price is paid. Section 83 requires the tax collector, in selling property at a tax sale, to issue a certificate of sale to the purchaser stating the redemption price and the interest rate of 6%.

Senate Bill 599 amends Section 93 to provide that, in Baltimore County, the interest rate would be 8% or such other rate as is fixed by the County Council. A companion bill (Senate Bill 529) was introduced to conform Section 83 to the amendment made by Senate Bill 599 - i.e., to require the certificate of sale to state that the rate would be 8% or such other rate set by the County Council.

During the legislative process, however, Senate Bill 529 was amended to substitute 6% for 8% with respect to the certificate of sale. Thus, if Senate Bill 599 were signed, whether or not Senate Bill 529 were signed, sections 83 and 93 would be inconsistent with respect to Baltimore County.

Further complicating the situation is the fact that House Bills 1414 and 1226 were also enacted. House Bill 1414 amends Section 93 to provide that the rate in Baltimore County is 6% or such other rate set by the County Council, and House Bill 1226 makes a conforming amendment to section 83, stating the rate as being 6% or such other rate set by the County Council.

Thus, the Legislature has passed four separate bills on this matter, providing for a 6% rate in three of them and an 8% rate in one.

I have vetoed Senate Bill 599 because, to do otherwise, would make sections 83 and 93 inconsistent, and because, based upon three of the four bills passed, the Legislative intent seems to have been to make the rate 6% instead of 8%. I might add, however, that, as a practical matter, since, under House Bills 1414 and 1226, which I have signed, the County Council is permitted to establish a different rate, the objective of Senate Bill 599 can be achieved in any event by action of the County Council.